



U.S. SMALL BUSINESS ADMINISTRATION

OMB No:3245-0007
EXP. DATE: 08-31-2003See Reverse Side for
Public Comment Information

SURETY BOND GUARANTEE AGREEMENT

1. By its authorized signature in Block 16 on the date stated in Block 18, SBA agrees to guarantee the bond(s) described herein as of the time of the issuance, as defined in 13 CFR 115.4, subject to the regulations in 13 CFR 115. SBA guarantees _____ % (not to exceed 80%) of the loss, in consideration, among other things, for \$_____ on each \$1000 of the bond or contract amount, according to surety's own premium base.		
2. Surety Name		3. Principal's Trade Name
4. Surety Underwriter's Name		5. Principal's Trade Address: Street
6. Principal's Name		Codes: City, State, Zip and County _____, _____, _____, _____
7. CONTRACT—Description of nature and extent (volume) of work, location, starting date and anticipated completion date:		
8. Obligee (include address)		
9. Estimated Contract Amount:		10. Contract <input type="checkbox"/> Bid: Date & Time <input type="checkbox"/> Negotiated
11. Bonds Required <input type="checkbox"/> Bid <input type="checkbox"/> Payment <input type="checkbox"/> Performance		12. Ancillary Bond(s) <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, Explain:
13. Bond Amount (%) Bid Payment Performance		
14. Signature of Surety's Attorney-in-Fact: Typed Name:		15. Date:
16. SBA Signature: Typed Name: Disposition: <input type="checkbox"/> Approved <input type="checkbox"/> Returned/Withdrawn <input type="checkbox"/> Declined		17. Title:
		18. Date:
Items (19-26) to be completed only for contracts awarded and final bond guarantee requests		
19. Date of Contract Award	20. Contract Amount	21. SBA Guarantee Fee From Contractor \$ (remitted herewith)
22. Bond Amounts Bid Payment Performance \$ \$ \$		23. Based on: <input type="checkbox"/> Bond Amt <input type="checkbox"/> Contract Amt Premium Charged By Surety: \$ %
24. Surety's Bond Number(s) Payment Performance # #		25. Project for: <input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Special District <input type="checkbox"/> Private <input type="checkbox"/> Local <input type="checkbox"/> Other
26. If awarded job was bid, BID SPREAD: Low \$ 2nd Low \$ 3rd Low \$ Highest \$		
27. SBA's SBG No. w/Suffix	28. Date Received	16. Received By: Signature:



By the signature of its authorized representative on the reverse side of this form (Blocks 16-18), the U.S. Small Business Administration guarantees the Surety named in item 2 against loss resulting from the breach by the Principal of the terms of the bond(s) described in Blocks 11, 12, 13, 22 and 24, pursuant and subject to 15 U.S.C. §694a and b, the regulations thereunder (13 CFR Part 115) and the conditions and representations stated below, in reliance on the declarations made on the reverse side hereof, and on the several forms submitted and signed by surety as applicable. This guaranty shall become effective upon the issuance (as defined in said regulations) of the SBA-guaranteed bond by the Surety.

1. Surety represents that it has determined the accuracy and completeness of the information in the Forms submitted by Surety which relate to this agreement, in accordance with generally accepted surety industry underwriting practices. Said Forms are incorporated herein by this reference.

2. Surety shall, conditional on the execution of this guarantee by SBA, if the Surety determines that the Contract price is reasonable and the contract amount does not exceed \$1,250,000, become Surety on bid, performance, payment, and other ancillary and coterminous bond(s) required for the award of the Contract. Surety may withdraw its decision to issue such bond(s) if prescribed underwriting conditions are not met or if additional information comes to the attention of Surety of a nature so as to change its underwriting determination, and notice is given to SBA.

3. The terms and conditions of such bond(s) will be in accord with those generally established and accepted by the surety industry for the type of contract for which such bond(s) are required to be furnished by Principal, and Surety represents that such bonds would not be provided for Principal on this Contract without this SBA guarantee.

4. If any suit or claim is filed against Surety upon said bond(s), Surety shall inform SBA of the same within 30 days of receipt of notice thereof in the Surety's home office. Unless SBA decides otherwise, and so notifies Surety, Surety shall take charge of all suits or claims arising under said bond(s) and compromise, settle or defend such suit or claim until so notified. Surety shall take all steps necessary to mitigate any loss resulting from Principal's default. Surety shall not join SBA in any lawsuit to which Surety is a party unless SBA has denied liability or has agreed to such joinder in writing.

5. No employee of SBA has authority to waive, change or alter the terms of this Agreement, unless such alterations are separately attached hereto and both the SBA and Surety's authorized representatives have signed and dated their assent thereto.

6. This Agreement is made exclusively for the benefit of SBA and the Surety, and does not confer any rights or benefits on any other party, such as any right of action against SBA by any person claiming under SBA-guaranteed bonds or otherwise. In the event of the Surety's insolvency, SBA shall not be liable to the receiver or other representative of the surety except for any loss incurred and monies actually paid by such representative under the bonds guaranteed by SBA.

7. If any provision of this Agreement is in conflict with any SBA regulation, such regulation shall prevail in construing or applying this Agreement.

8. Any intentionally false statement or willful misrepresentation in connection with the procurement of the Guarantee or claim for payment pursuant to this Agreement is a violation of Federal law, subject to criminal and civil prosecution under 18 U.S.C. §§ 287, 371, 1001, 15 U.S.C. §645, or 31 U.S.C. §231, carrying fines up to \$10,000 and imprisonment of up to five years.

PLEASE NOTE: The estimated burden for completing this form is 10 minutes per response. You are not required to respond to any collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to U.S. Small Business Administration, Chief, AIB, 409 3rd St., S.W., Washington, D.C. 20416 and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C. 20503. OMB Approval (3245-007). **PLEASE DO NOT SEND FORMS TO OMB.**